



HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2014
OF THE CONDITION AND AFFAIRS OF THE

Sparrow PHP

NAIC Group Code

3408

3408

(Current)

(Prior)

NAIC Company Code

11537

Employer's ID Number

36-4497604

Organized under the Laws of

Michigan

, State of Domicile or Port of Entry

Michigan

Country of Domicile

United States of America

Licensed as business type:

Health Maintenance Organization

Is HMO Federally Qualified? Yes [] No [X]

Incorporated/Organized

05/23/2002

Commenced Business

01/01/2003

Statutory Home Office

1400 East Michigan Avenue

,

Lansing , MI, US 48912

(Street and Number)

(City or Town, State, Country and Zip Code)

Main Administrative Office

1400 East Michigan Avenue

Lansing , MI, US 48912

(Street and Number)

(City or Town, State, Country and Zip Code)

517-364-8400

(Area Code) (Telephone Number)

Mail Address

1400 East Michigan Avenue

,

Lansing , MI, US 48912

(Street and Number or P.O. Box)

(City or Town, State, Country and Zip Code)

Primary Location of Books and Records

1400 East Michigan Avenue

Lansing , MI, US 48912

(Street and Number)

(City or Town, State, Country and Zip Code)

517-364-8400

(Area Code) (Telephone Number)

Internet Website Address

www.phpmm.org

Statutory Statement Contact

Kevin Essenmacher

,

517-364-8400

(Name)

(Area Code) (Telephone Number)

kevin.essenmacher@phpmm.org

,

517-364-8407

(E-mail Address)

(FAX Number)

OFFICERS

President & Secretary

Dennis Reese

Chairperson

James Butler III

Controller

Kevin Essenmacher

OTHER

DIRECTORS OR TRUSTEES

Dennis Reese

James Butler III

Gwen Hall

State of

Michigan

County of

Ingham

SS:

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Dennis ReesePresident & Secretary

James Butler IIIChairperson

Kevin EssenmacherController

Subscribed and sworn to before me this

day of

a. Is this an original filing?Yes [X] No []

b. If no,

1. State the amendment number.....

2. Date filed

3. Number of pages attached.....

EXHIBIT 2 - ACCIDENT AND HEALTH PREMIUMS DUE AND UNPAID

[illegible]

EXHIBIT 3 - HEALTH CARE RECEIVABLES

1 Name of Debtor	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 Over 90 Days	6 Nonadmitted	7 Admitted
Medco Pharmacy Rebates	62,100	0	0	0	0	62,100
0199998. Aggregate Pharmaceutical Rebate Receivables Not Individually Listed	0	0	0	0	0	0
0199999. Total Pharmaceutical Rebate Receivables	62,100	0	0	0	0	62,100
Claim Overpayment Receivable-Variou	8,116	9,453	2,918	313	20,800	0
0299998. Aggregate Claim Overpayment Receivables Not Individually Listed	0	0	0	0	0	0
0299999. Total Claim Overpayment Receivables	8,116	9,453	2,918	313	20,800	0
.....	0	0	0	0	0	0
0399998. Aggregate Loans and Advances to Providers Not Individually Listed	0	0	0	0	0	0
0399999. Total Loans and Advances to Providers	0	0	0	0	0	0
.....	0	0	0	0	0	0
0499998. Aggregate Capitation Arrangement Receivables Not Individually Listed	0	0	0	0	0	0
0499999. Total Capitation Arrangement Receivables	0	0	0	0	0	0
.....	0	0	0	0	0	0
0599998. Aggregate Risk Sharing Receivables Not Individually Listed	0	0	0	0	0	0
0599999. Total Risk Sharing Receivables	0	0	0	0	0	0
Medco Receivable	0	0	0	68,800	68,800	0
Physician Incentive Plan	90,000	90,000	90,000	270,000	0	540,000
Maternity Case Rate Receivable	257,490	70,225	15,605	0	0	343,321
0699998. Aggregate Other Receivables Not Individually Listed	0	0	0	0	0	0
0699999. Total Other Receivables	347,490	160,225	105,605	338,800	68,800	883,321
0799999 Gross health care receivables	417,706	169,678	108,523	339,113	89,600	945,421

EXHIBIT 3A - ANALYSIS OF HEALTH CARE RECEIVABLES COLLECTED AND ACCRUED

Type of Health Care Receivable	Health Care Receivables Collected During the Year		Health Care Receivables Accrued as of December 31 of Current Year		5 Health Care Receivables in Prior Years (Columns 1 + 3)	6 Estimated Health Care Receivables Accrued as of December 31 of Prior Year
	1 On Amounts Accrued Prior to January 1 of Current Year	2 On Amounts Accrued During the Year	3 On Amounts Accrued December 31 of Prior Year	4 On Amounts Accrued During the Year		
1. Pharmaceutical rebate receivables	99,553	187,158	0	62,100	99,553	83,000
2. Claim overpayment receivables	80,114	754,476	3,679	17,120	83,794	65,254
3. Loans and advances to providers	0	0	0	0	0	0
4. Capitation arrangement receivables	0	0	0	0	0	0
5. Risk sharing receivables	0	0	0	0	0	0
6. Other health care receivables.....	510,751	567,678	0	952,121	510,751	349,142
7. Totals (Lines 1 through 6)	690,418	1,509,311	3,679	1,031,341	694,098	497,396

Note that the accrued amounts in Columns 3, 4, and 6 are the total health care receivables, not just the admitted portion.

EXHIBIT 4 - CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

21

EXHIBIT 6 - AMOUNTS DUE TO PARENT, SUBSIDIARIES AND AFFILIATES

[illegible]

	1	2	3	4	5	6
Payment Method	Direct Medical Expense Payment	Column 1 as a % of Total Payments	Total Members Covered	Column 3 as a % of Total Members	Column 1 Expenses Paid to Affiliated Providers	Column 1 Expenses Paid to Non-Affiliated Providers
Capitation Payments:						
1. Medical groups	0	0.0	0	0.0	0	0
2. Intermediaries	0	0.0	0	0.0	0	0
3. All other providers	0	0.0	0	0.0	0	0
4. Total capitation payments	0	0.0	0	0.0	0	0
Other Payments:						
5. Fee-for-service	791,520	1.4	XXX	XXX	0	791,520
6. Contractual fee payments	54,296,175	95.1	XXX	XXX	44,429,514	9,866,661
7. Bonus/withhold arrangements - fee-for-service	0	0.0	XXX	XXX	0	0
8. Bonus/withhold arrangements - contractual fee payments	2,007,070	3.5	XXX	XXX	2,007,070	0
9. Non-contingent salaries	0	0.0	XXX	XXX	0	0
10. Aggregate cost arrangements	0	0.0	XXX	XXX	0	0
11. All other payments	0	0.0	XXX	XXX	0	0
12. Total other payments	57,094,765	100.0	XXX	XXX	46,436,584	10,658,181
13. TOTAL (Line 4 plus Line 12)	57,094,765	100%	XXX	XXX	46,436,584	10,658,181

EXHIBIT 7 - PART 2 - SUMMARY OF TRANSACTIONS WITH INTERMEDIARIES

[illegible]

Exhibit 8 - Furniture and Equipment Owned

N O N E



ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Sparrow PHP

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION

Sparrow PHP

2. Lansing, MI

(LOCATION)

NAIC Group Code	3408	BUSINESS IN THE STATE OF		Michigan	DURING THE YEAR			2014	NAIC Company Code		11537
	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10	
		2	3								
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other	
Total Members at end of:											
1. Prior Year	17,585	700	0	0	0	0	0	0	16,885	0	
2. First Quarter	18,160	666	0	0	0	0	0	0	17,494	0	
3. Second Quarter	19,770	655	0	0	0	0	0	0	19,115	0	
4. Third Quarter	19,344	861	0	0	0	0	0	0	18,483	0	
5. Current Year	19,753	1,575	0	0	0	0	0	0	18,178	0	
6. Current Year Member Months	230,243	18,900	0	0	0	0	0	0	211,343	0	
Total Member Ambulatory Encounters for Year:											
7. Physician	98,230	3	0	0	0	0	0	0	98,227	0	
8. Non-Physician	58,470	0	0	0	0	0	0	0	58,470	0	
9. Total	156,700	3	0	0	0	0	0	0	156,697	0	
10. Hospital Patient Days Incurred	9,984	0	0	0	0	0	0	0	9,984	0	
11. Number of Inpatient Admissions	2,446	0	0	0	0	0	0	0	2,446	0	
12. Health Premiums Written (b)	67,717,631	97,820	0	0	0	0	0	0	67,619,811	0	
13. Life Premiums Direct	0	0	0	0	0	0	0	0	0	0	
14. Property/Casualty Premiums Written	0	0	0	0	0	0	0	0	0	0	
15. Health Premiums Earned.....	67,717,631	97,820	0	0	0	0	0	0	67,619,811	0	
16. Property/Casualty Premiums Earned	0	0	0	0	0	0	0	0	0	0	
17. Amount Paid for Provision of Health Care Services.....	57,094,765	582,991	0	0	0	0	0	0	56,511,774	0	
18. Amount Incurred for Provision of Health Care Services	58,073,254	670,386	0	0	0	0	0	0	57,402,868	0	

(a) For health business: number of persons insured under PPO managed care products0 and number of persons insured under indemnity only products0 .

(b) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$0



ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Sparrow PHP

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION Sparrow PHP 2. Lansing, MI

NAIC Group Code		BUSINESS IN THE STATE OF		Grand Total		DURING THE YEAR		2014		(LOCATION)	
3408										NAIC Company Code	
		1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
		Total	2	3	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
			Individual	Group							
Total Members at end of:											
1.	Prior Year	17,585	700	0	0	0	0	0	0	16,885	0
2.	First Quarter	18,160	666	0	0	0	0	0	0	17,494	0
3.	Second Quarter	19,770	655	0	0	0	0	0	0	19,115	0
4.	Third Quarter	19,344	861	0	0	0	0	0	0	18,483	0
5.	Current Year	19,753	1,575	0	0	0	0	0	0	18,178	0
6.	Current Year Member Months	230,243	18,900	0	0	0	0	0	0	211,343	0
Total Member Ambulatory Encounters for Year:											
7.	Physician	98,230	3	0	0	0	0	0	0	98,227	0
8.	Non-Physician	58,470	0	0	0	0	0	0	0	58,470	0
9.	Total	156,700	3	0	0	0	0	0	0	156,697	0
10.	Hospital Patient Days Incurred	9,984	0	0	0	0	0	0	0	9,984	0
11.	Number of Inpatient Admissions	2,446	0	0	0	0	0	0	0	2,446	0
12.	Health Premiums Written (b)	67,717,631	97,820	0	0	0	0	0	0	67,619,811	0
13.	Life Premiums Direct	0	0	0	0	0	0	0	0	0	0
14.	Property/Casualty Premiums Written	0	0	0	0	0	0	0	0	0	0
15.	Health Premiums Earned	67,717,631	97,820	0	0	0	0	0	0	67,619,811	0
16.	Property/Casualty Premiums Earned	0	0	0	0	0	0	0	0	0	0
17.	Amount Paid for Provision of Health Care Services	57,094,765	582,991	0	0	0	0	0	0	56,511,774	0
18.	Amount Incurred for Provision of Health Care Services	58,073,254	670,386	0	0	0	0	0	0	57,402,868	0

(a) For health business: number of persons insured under PPO managed care products0 and number of persons insured under indemnity only products0 .

(b) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$0

SCHEDULE S - PART 1 - SECTION 2

[illegible]

SCHEDULE S - PART 2

[illegible]

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Sparrow PHP

SCHEDULE S - PART 3 - SECTION 2

Reinsurance Ceded Accident and Health Insurance Listed by Reinsuring Company as of December 31, Current Year

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Company	5 Domi- ciliary Juris- diction	6 Type	7 Type of Business Ceded	8 Premiums	9 Unearned Premiums (Estimated)	10 Reserve Credit Taken Other than for Unearned Premiums	Outstanding Surplus Relief		13 Modified Coinsurance Reserve	14 Funds Withheld Under Coinsurance
										11	12		
										Current Year	Prior Year		
0399999. Total General Account - Authorized U.S. Affiliates							0	0	0	0	0	0	0
0699999. Total General Account - Authorized Non-U.S. Affiliates							0	0	0	0	0	0	0
0799999. Total General Account - Authorized Affiliates							0	0	0	0	0	0	0
39845	48-0921045	01/01/2014	WESTPORT INS CORP	USA	SSL/A/G	MC	210,949	0	0	0	0	0	0
0999999. General Account - Authorized Non-U.S. Non-Affiliates							210,949	0	0	0	0	0	0
1099999. Total General Account - Authorized Non-Affiliates							210,949	0	0	0	0	0	0
1199999. Total General Account Authorized							210,949	0	0	0	0	0	0
1499999. Total General Account - Unauthorized U.S. Affiliates							0	0	0	0	0	0	0
1799999. Total General Account - Unauthorized Non-U.S. Affiliates							0	0	0	0	0	0	0
1899999. Total General Account - Unauthorized Affiliates							0	0	0	0	0	0	0
2199999. Total General Account - Unauthorized Non-Affiliates							0	0	0	0	0	0	0
2299999. Total General Account Unauthorized							0	0	0	0	0	0	0
2599999. Total General Account - Certified U.S. Affiliates							0	0	0	0	0	0	0
2899999. Total General Account - Certified Non-U.S. Affiliates							0	0	0	0	0	0	0
2999999. Total General Account - Certified Affiliates							0	0	0	0	0	0	0
3299999. Total General Account - Certified Non-Affiliates							0	0	0	0	0	0	0
3399999. Total General Account Certified							0	0	0	0	0	0	0
3499999. Total General Account Authorized, Unauthorized and Certified							210,949	0	0	0	0	0	0
3799999. Total Separate Accounts - Authorized U.S. Affiliates							0	0	0	0	0	0	0
4099999. Total Separate Accounts - Authorized Non-U.S. Affiliates							0	0	0	0	0	0	0
4199999. Total Separate Accounts - Authorized Affiliates							0	0	0	0	0	0	0
4499999. Total Separate Accounts - Authorized Non-Affiliates							0	0	0	0	0	0	0
4599999. Total Separate Accounts Authorized							0	0	0	0	0	0	0
4899999. Total Separate Accounts - Unauthorized U.S. Affiliates							0	0	0	0	0	0	0
5199999. Total Separate Accounts - Unauthorized Non-U.S. Affiliates							0	0	0	0	0	0	0
5299999. Total Separate Accounts - Unauthorized Affiliates							0	0	0	0	0	0	0
5599999. Total Separate Accounts - Unauthorized Non-Affiliates							0	0	0	0	0	0	0
5699999. Total Separate Accounts Unauthorized							0	0	0	0	0	0	0
5999999. Total Separate Accounts - Certified U.S. Affiliates							0	0	0	0	0	0	0
6299999. Total Separate Accounts - Certified Non-U.S. Affiliates							0	0	0	0	0	0	0
6399999. Total Separate Accounts - Certified Affiliates							0	0	0	0	0	0	0
6699999. Total Separate Accounts - Certified Non-Affiliates							0	0	0	0	0	0	0
6799999. Total Separate Accounts Certified							0	0	0	0	0	0	0
6899999. Total Separate Accounts Authorized, Unauthorized and Certified							0	0	0	0	0	0	0
6999999. Total U.S. (Sum of 0399999, 0899999, 1499999, 1999999, 2599999, 3099999, 3799999, 4299999, 4899999, 5399999, 5999999 and 6499999)							0	0	0	0	0	0	0
7099999. Total Non-U.S. (Sum of 0699999, 0999999, 1799999, 2099999, 2899999, 3199999, 4099999, 4399999, 5199999, 5499999, 6299999 and 6599999)							210,949	0	0	0	0	0	0
9999999 - Totals							210,949	0	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Sparrow PHP

SCHEDULE S - PART 4

Reinsurance Ceded to Unauthorized Companies

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
NAIC Company Code	ID Number	Effective Date	Name of Reinsurer	Reserve Credit Taken	Paid and Unpaid Losses Recoverable (Debit)	Other Debits	Total (Cols.5+6+7)	Letters of Credit	Issuing or Confirming Bank Reference Number (a)	Trust Agreements	Funds Deposited by and Withheld from Reinsurers	Other	Miscellaneous Balances (Credit)	Sum of Cols. 9+11+12+13 +14 but not in Excess of Col. 8
0399999. Total General Account - Life and Annuity U.S. Affiliates				0	0	0	0	0	XXX	0	0	0	0	0
0699999. Total General Account - Life and Annuity Non-U.S. Affiliates				0	0	0	0	0	XXX	0	0	0	0	0
0799999. Total General Account - Life and Annuity Affiliates				0	0	0	0	0	XXX	0	0	0	0	0
1099999. Total General Account - Life and Annuity Non-Affiliates				0	0	0	0	0	XXX	0	0	0	0	0
1199999. Total General Account Life and Annuity				0	0	0	0	0	XXX	0	0	0	0	0
1499999. Total General Account - Accident and Health U.S. Affiliates				0	0	0	0	0	XXX	0	0	0	0	0
1799999. Total General Account - Accident and Health Non-U.S. Affiliates				0	0	0	0	0	XXX	0	0	0	0	0
1899999. Total General Account - Accident and Health Affiliates				0	0	0	0	0	XXX	0	0	0	0	0
2199999. Total General Account - Accident and Health Non-Affiliates				0	0	0	0	0	XXX	0	0	0	0	0
2299999. Total General Account Accident and Health				0	0	0	0	0	XXX	0	0	0	0	0
2399999. Total General Account				0	0	0	0	0	XXX	0	0	0	0	0
2699999. Total Separate Accounts - U.S. Affiliates				0	0	0	0	0	XXX	0	0	0	0	0
2999999. Total Separate Accounts - Non-U.S. Affiliates				0	0	0	0	0	XXX	0	0	0	0	0
3099999. Total Separate Accounts - Affiliates				0	0	0	0	0	XXX	0	0	0	0	0
3399999. Total Separate Accounts - Non-Affiliates				0	0	0	0	0	XXX	0	0	0	0	0
3499999. Total Separate Accounts				0	0	0	0	0	XXX	0	0	0	0	0
3599999. Total U.S. (Sum of 0399999, 0899999, 1499999, 1999999, 2699999 and 3199999)				0	0	0	0	0	XXX	0	0	0	0	0
3699999. Total Non-U.S. (Sum of 0699999, 0999999, 1799999, 2099999, 2999999 and 3299999)				0	0	0	0	0	XXX	0	0	0	0	0
9999999 - Totals				0	0	0	0	0	XXX	0	0	0	0	0

(a)	Issuing or Confirming Bank Reference Number	Letters of Credit Code	American Bankers Association (ABA) Routing Number	Issuing or Confirming Bank Name	Letters of Credit Amount

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Sparrow PHP

SCHEDULE S - PART 5

Reinsurance Ceded to Certified Reinsurers as of December 31, Current Year (000 Omitted)

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	Collateral							23	24	25	26		
															16	17	18	19	20	21	22						
NAIC Company Code	ID Number	Effective Date	Name of Reinsurer	Domiciliary Jurisdiction	Certified Reinsurer Rating (1 through 6)	Effective Date of Certified Reinsurer Rating	Percent Collateral Required for Full Credit (0% - 100%)	Reserve Credit Taken	Paid and Unpaid Losses Recoverable (Debit)	Other Debits	Total Recoverable/ Reserve Credit Taken (Col. 9 + 10 + 11)	Miscellaneous Balances (Credit)	Net Obligation Subject to Collateral (Col. 12 - 13)	Dollar Amount of Collateral Required for Full Credit (Col. 14 Times Col. 8)	Multiple Beneficiary Trust	Letters of Credit	Issuing or Confirming Bank Reference Number (a)	Trust Agreements	Funds Deposited by and Withheld from Reinsurers	Other	Total Collateral Provided (Col. 16 + 17 + 19 + 20 + 21)	Percent of Collateral Provided for Net Obligation Subject to Collateral (Col. 22 / Col. 14)	Percent Credit Allowed on Net Obligation Subject to Collateral (Col. 23 / Col. 8, not to Exceed 100%)	Amount of Credit Allowed for Net Obligation Subject to Collateral (Col. 14 x Col. 24)	Liability for Reinsurance with Certified Reinsurers Due to Collateral Deficiency (Col. 14 - Col. 25)		
0399999. Total General Account - Life and Annuity U.S. Affiliates								0	0	0	0	0	0	0	0	0	0	XXX	0	0	0	0	XXX	XXX	0	0	
0699999. Total General Account - Life and Annuity Non-U.S. Affiliates								0	0	0	0	0	0	0	0	0	0	XXX	0	0	0	0	XXX	XXX	0	0	
0799999. Total General Account - Life and Annuity Affiliates								0	0	0	0	0	0	0	0	0	0	XXX	0	0	0	0	XXX	XXX	0	0	
1099999. Total General Account - Life and Annuity Non-Affiliates								0	0	0	0	0	0	0	0	0	0	XXX	0	0	0	0	XXX	XXX	0	0	
1199999. Total General Account Life and Annuity								0	0	0	0	0	0	0	0	0	0	0	XXX	0	0	0	0	XXX	XXX	0	0
1499999. Total General Account - Accident and Health U.S. Affiliates								0	0	0	0	0	0	0	0	0	0	0	XXX	0	0	0	0	XXX	XXX	0	0
1799999. Total General Account - Accident and Health Non-U.S. Affiliates								0	0	0	0	0	0	0	0	0	0	0	XXX	0	0	0	0	XXX	XXX	0	0
1899999. Total General Account - Accident and Health Affiliates								0	0	0	0	0	0	0	0	0	0	0	XXX	0	0	0	0	XXX	XXX	0	0
2199999. Total General Account - Accident and Health Non-Affiliates								0	0	0	0	0	0	0	0	0	0	0	XXX	0	0	0	0	XXX	XXX	0	0
2299999. Total General Account Accident and Health								0	0	0	0	0	0	0	0	0	0	0	XXX	0	0	0	0	XXX	XXX	0	0
2399999. Total General Account								0	0	0	0	0	0	0	0	0	0	0	XXX	0	0	0	0	XXX	XXX	0	0
2699999. Total Separate Accounts - U.S. Affiliates								0	0	0	0	0	0	0	0	0	0	0	XXX	0	0	0	0	XXX	XXX	0	0
2999999. Total Separate Accounts - Non-U.S. Affiliates								0	0	0	0	0	0	0	0	0	0	0	XXX	0	0	0	0	XXX	XXX	0	0
3099999. Total Separate Accounts - Affiliates								0	0	0	0	0	0	0	0	0	0	0	XXX	0	0	0	0	XXX	XXX	0	0
3399999. Total Separate Accounts - Non-Affiliates								0	0	0	0	0	0	0	0	0	0	0	XXX	0	0	0	0	XXX	XXX	0	0
3499999. Total Separate Accounts								0	0	0	0	0	0	0	0	0	0	0	XXX	0	0	0	0	XXX	XXX	0	0
3599999. Total U.S. (Sum of 0399999, 0899999, 1499999, 1999999, 2699999 and 3199999)								0	0	0	0	0	0	0	0	0	0	0	XXX	0	0	0	0	XXX	XXX	0	0
3699999. Total Non-U.S. (Sum of 0699999, 0999999, 1799999, 2099999, 2999999 and 3299999)								0	0	0	0	0	0	0	0	0	0	0	XXX	0	0	0	0	XXX	XXX	0	0
																	XXX	0	0	0	0	XXX	XXX	0	0		
9999999 - Totals								0	0	0	0	0	0	0	0	0	0	XXX	0	0	0	0	XXX	XXX	0	0	

(a)	Issuing or Confirming Bank Reference Number	Letters of Credit Code	American Bankers Association (ABA) Routing Number	Issuing or Confirming Bank Name	Letters of Credit Amount

SCHEDULE S - PART 6

Five Year Exhibit of Reinsurance Ceded Business (000 Omitted)

	1 2014	2 2013	3 2012	4 2011	5 2010
A. OPERATIONS ITEMS					
1. Premiums	0	0	0	0	0
2. Title XVIII - Medicare	0	0	0	0	0
3. Title XIX - Medicaid	211	372	102	99	105
4. Commissions and reinsurance expense allowance	0	0	0	0	0
5. Total hospital and medical expenses	0	0	0	0	0
B. BALANCE SHEET ITEMS					
6. Premiums receivable	0	0	0	0	0
7. Claims payable	11	167	0	0	0
8. Reinsurance recoverable on paid losses	99	3	63	0	0
9. Experience rating refunds due or unpaid	0	0	0	0	0
10. Commissions and reinsurance expense allowances due	0	0	0	0	0
11. Unauthorized reinsurance offset	0	0	0	0	0
12. Offset for reinsurance with Certified Reinsurers	0	0	0	XXX	XXX
C. UNAUTHORIZED REINSURANCE (DEPOSITS BY AND FUNDS WITHHELD FROM)					
13. Funds deposited by and withheld from (F)	0	0	0	0	0
14. Letters of credit (L)	0	0	0	0	0
15. Trust agreements (T)	0	0	0	0	0
16. Other (O)	0	0	0	0	0
D. REINSURANCE WITH CERTIFIED REINSURERS (DEPOSITS BY AND FUNDS WITHHELD FROM)					
17. Multiple Beneficiary Trust	0	0	0	XXX	XXX
18. Funds deposited by and withheld from (F)	0	0	0	XXX	XXX
19. Letters of credit (L)	0	0	0	XXX	XXX
20. Trust agreements (T)	0	0	0	XXX	XXX
21. Other (O)	0	0	0	XXX	XXX

SCHEDULE S - PART 7

Restatement of Balance Sheet to Identify Net Credit For Ceded Reinsurance

	1 As Reported (net of ceded)	2 Restatement Adjustments	3 Restated (gross of ceded)
ASSETS (Page 2, Col. 3)			
1. Cash and invested assets (Line 12)	19,932,595	0	19,932,595
2. Accident and health premiums due and unpaid (Line 15)	90,531	0	90,531
3. Amounts recoverable from reinsurers (Line 16.1)	98,528	0	98,528
4. Net credit for ceded reinsurance	XXX	0	0
5. All other admitted assets (Balance)	992,520	0	992,520
6. Total assets (Line 28)	21,114,174	0	21,114,174
LIABILITIES, CAPITAL AND SURPLUS (Page 3)			
7. Claims unpaid (Line 1)	7,197,662	0	7,197,662
8. Accrued medical incentive pool and bonus payments (Line 2)	790,185	0	790,185
9. Premiums received in advance (Line 8)	0	0	0
10. Funds held under reinsurance treaties with authorized and unauthorized reinsurers (Line 19 first inset amount plus second inset amount)	0	0	0
11. Reinsurance in unauthorized companies (Line 20 minus inset amount)	0	0	0
12. Reinsurance with Certified Reinsurers (Line 20 inset amount)	0	0	0
13. Funds held under reinsurance treaties with Certified Reinsurers (Line 19 third inset amount)	0	0	0
14. All other liabilities (Balance)	4,631,987	0	4,631,987
15. Total liabilities (Line 24)	12,619,834	0	12,619,834
16. Total capital and surplus (Line 33)	8,494,340	XXX	8,494,340
17. Total liabilities, capital and surplus (Line 34)	21,114,174	0	21,114,174
NET CREDIT FOR CEDED REINSURANCE			
18. Claims unpaid	0		
19. Accrued medical incentive pool	0		
20. Premiums received in advance	0		
21. Reinsurance recoverable on paid losses	0		
22. Other ceded reinsurance recoverables	0		
23. Total ceded reinsurance recoverables	0		
24. Premiums receivable	0		
25. Funds held under reinsurance treaties with authorized and unauthorized reinsurers	0		
26. Unauthorized reinsurance	0		
27. Reinsurance with Certified Reinsurers	0		
28. Funds held under reinsurance treaties with Certified Reinsurers	0		
29. Other ceded reinsurance payables/offsets	0		
30. Total ceded reinsurance payables/offsets	0		
31. Total net credit for ceded reinsurance	0		

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Sparrow PHP

SCHEDULE T - PART 2

INTERSTATE COMPACT - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

			Direct Business Only					
			1	2	3	4	5	6
States, Etc.			Life (Group and Individual)	Annuities (Group and Individual)	Disability Income (Group and Individual)	Long-Term Care (Group and Individual)	Deposit-Type Contracts	Totals
1.	Alabama	AL	0	0	0	0	0	0
2.	Alaska	AK	0	0	0	0	0	0
3.	Arizona	AZ	0	0	0	0	0	0
4.	Arkansas	AR	0	0	0	0	0	0
5.	California	CA	0	0	0	0	0	0
6.	Colorado	CO	0	0	0	0	0	0
7.	Connecticut	CT	0	0	0	0	0	0
8.	Delaware	DE	0	0	0	0	0	0
9.	District of Columbia	DC	0	0	0	0	0	0
10.	Florida	FL	0	0	0	0	0	0
11.	Georgia	GA	0	0	0	0	0	0
12.	Hawaii	HI	0	0	0	0	0	0
13.	Idaho	ID	0	0	0	0	0	0
14.	Illinois	IL	0	0	0	0	0	0
15.	Indiana	IN	0	0	0	0	0	0
16.	Iowa	IA	0	0	0	0	0	0
17.	Kansas	KS	0	0	0	0	0	0
18.	Kentucky	KY	0	0	0	0	0	0
19.	Louisiana	LA	0	0	0	0	0	0
20.	Maine	ME	0	0	0	0	0	0
21.	Maryland	MD	0	0	0	0	0	0
22.	Massachusetts	MA	0	0	0	0	0	0
23.	Michigan	MI	0	0	0	0	0	0
24.	Minnesota	MN	0	0	0	0	0	0
25.	Mississippi	MS	0	0	0	0	0	0
26.	Missouri	MO	0	0	0	0	0	0
27.	Montana	MT	0	0	0	0	0	0
28.	Nebraska	NE	0	0	0	0	0	0
29.	Nevada	NV	0	0	0	0	0	0
30.	New Hampshire	NH	0	0	0	0	0	0
31.	New Jersey	NJ	0	0	0	0	0	0
32.	New Mexico	NM	0	0	0	0	0	0
33.	New York	NY	0	0	0	0	0	0
34.	North Carolina	NC	0	0	0	0	0	0
35.	North Dakota	ND	0	0	0	0	0	0
36.	Ohio	OH	0	0	0	0	0	0
37.	Oklahoma	OK	0	0	0	0	0	0
38.	Oregon	OR	0	0	0	0	0	0
39.	Pennsylvania	PA	0	0	0	0	0	0
40.	Rhode Island	RI	0	0	0	0	0	0
41.	South Carolina	SC	0	0	0	0	0	0
42.	South Dakota	SD	0	0	0	0	0	0
43.	Tennessee	TN	0	0	0	0	0	0
44.	Texas	TX	0	0	0	0	0	0
45.	Utah	UT	0	0	0	0	0	0
46.	Vermont	VT	0	0	0	0	0	0
47.	Virginia	VA	0	0	0	0	0	0
48.	Washington	WA	0	0	0	0	0	0
49.	West Virginia	WV	0	0	0	0	0	0
50.	Wisconsin	WI	0	0	0	0	0	0
51.	Wyoming	WY	0	0	0	0	0	0
52.	American Samoa	AS	0	0	0	0	0	0
53.	Guam	GU	0	0	0	0	0	0
54.	Puerto Rico	PR	0	0	0	0	0	0
55.	U.S. Virgin Islands	VI	0	0	0	0	0	0
56.	Northern Mariana Islands	MP	0	0	0	0	0	0
57.	Canada	CAN	0	0	0	0	0	0
58.	Aggregate Other Alien	OT	0	0	0	0	0	0
59.	Total		0	0	0	0	0	0

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

Asterisk	Explanation

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Sparrow PHP

SCHEDULE Y

PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES

[illegible]

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Sparrow PHP

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of WAIVED to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

		Responses
MARCH FILING		
1.	Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?	YES
2.	Will an actuarial opinion be filed by March 1?	YES
3.	Will the confidential Risk-based Capital Report be filed with the NAIC by March 1?.....	YES
4.	Will the confidential Risk-based Capital Report be filed with the state of domicile, if required, by March 1?.....	YES
APRIL FILING		
5.	Will Management's Discussion and Analysis be filed by April 1?	YES
6.	Will the Supplemental Investment Risks Interrogatories be filed by April 1?	YES
7.	Will the Accident and Health Policy Experience Exhibit be filed by April 1?	YES
JUNE FILING		
8.	Will an audited financial report be filed by June 1?	YES
9.	Will Accountant's Letter of Qualifications be filed with the state of domicile and electronically with the NAIC by June 1?	YES
AUGUST FILING		
10.	Will Communication of Internal Control Related Matters Noted in Audit be filed with the state of domicile by August 1?	YES









The following supplemental reports are required to be filed as part of your annual statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

MARCH FILING		
11.	Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1?	NO
12.	Will the Supplemental Life data due March 1 be filed with the state of domicile and the NAIC?	NO
13.	Will the Supplemental Property/Casualty data due March 1 be filed with the state of domicile and the NAIC?.....	NO
14.	Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1?.....	YES
15.	Will the actuarial opinion on participating and non-participating policies as required in Interrogatories 1 and 2 on Exhibit 5 to Life Supplement be filed with the state of domicile and electronically with the NAIC by March 1?	NO
16.	Will the actuarial opinion on non-guaranteed elements as required in Interrogatory 3 to Exhibit 5 to Life Supplement be filed with the state of domicile and electronically with the NAIC by March 1?.....	NO
17.	Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1?.....	YES
18.	Will an approval from the reporting entity's state of domicile for relief related to the five-year rotation requirement for lead audit partner be filed electronically with the NAIC by March 1?	NO
19.	Will an approval from the reporting entity's state of domicile for relief related to the one-year cooling off period for independent CPA be filed electronically with the NAIC by March 1?	NO
20.	Will an approval from the reporting entity's state of domicile for relief related to the Requirements for Audit Committees be filed electronically with the NAIC by March 1?.....	NO
APRIL FILING		
21.	Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1?	YES
22.	Will the Supplemental Life data due April 1 be filed with the state of domicile and the NAIC?	NO
23.	Will the Supplemental Property/Casualty Insurance Expense Exhibit due April 1 be filed with any state that requires it, and, if so, the NAIC?	NO
24.	Will the Supplemental Health Care Exhibit (Parts 1, 2 and 3) be filed with the state of domicile and the NAIC by April 1?	NO
25.	Will the regulator only (non-public) Supplemental Health Care Exhibit's Expense Allocation Report be filed with the state of domicile and the NAIC by April 1?	NO
AUGUST FILING		
26.	Will Management's Report of Internal Control Over Financial Reporting be filed with the state of domicile by August 1?	YES

Explanations:

11.	
12.	
13.	
15.	
16.	
18.	
19.	
20.	
22.	
23.	
24.	Entity is a Medicaid only HMO. Per NAIC instructions the Entity is considered Government Business and is not required to complete this supplement.
25.	Entity is a Medicaid only HMO. Per NAIC instructions the Entity is considered Government Business and is not required to complete this supplement.

Bar Codes:

11.	Medicare Supplement Insurance Experience Exhibit [Document Identifier 360]	
12.	Life Supplement [Document Identifier 205]	
13.	Property/Casualty Supplement [Document Identifier 207]	
15.	Participating Opinion for Exhibit 5 [Document Identifier 371]	
16.	Non-Guaranteed Opinion for Exhibit 5 [Document Identifier 370]	
18.	Relief from the five-year rotation requirement for lead audit partner [Document Identifier 224]	
19.	Relief from the one-year cooling off period for independent CPA [Document Identifier 225]	
20.	Relief from the Requirements for Audit Committees [Document Identifier 226]	

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

22.	Life Supplement [Document Identifier 211]	 1 1 5 3 7 2 0 1 4 2 1 1 0 0 0 0 0
23.	Property/Casualty Supplement Insurance Expense Exhibit [Document Identifier 213]	 1 1 5 3 7 2 0 1 4 2 1 3 0 0 0 0 0
24.	Supplemental Health Care Exhibit (Parts 1, 2 and 3) [Document Identifier 216]	 1 1 5 3 7 2 0 1 4 2 1 6 0 0 0 0 0
25.	Supplemental Health Care Exhibit's Expense Allocation Report [Document Identifier 217]	 1 1 5 3 7 2 0 1 4 2 1 7 0 0 0 0 0



SUPPLEMENT FOR THE YEAR 2014 OF THE Sparrow PHP

MEDICARE PART D COVERAGE SUPPLEMENT

(Net of Reinsurance)

NAIC Group Code 3408		(To Be Filed by March 1)				NAIC Company Code 11537	
		Individual Coverage		Group Coverage		5	
		1 Insured	2 Uninsured	3 Insured	4 Uninsured	Total Cash	
1.	Premiums Collected						
1.1	Standard Coverage						
1.11	With Reinsurance Coverage	0	XXX	0	XXX		0
1.12	Without Reinsurance Coverage	0	XXX	0	XXX		0
1.13	Risk-Corridor Payment Adjustments	0	XXX	0	XXX		0
1.2	Supplemental Benefits	0	XXX	0	XXX		0
2.	Premiums Due and Uncollected-change						
2.1	Standard Coverage						
2.11	With Reinsurance Coverage	0	XXX	0	XXX	XXX	
2.12	Without Reinsurance Coverage	0	XXX	0	XXX	XXX	
2.2	Supplemental Benefits	0	XXX	0	XXX	XXX	
3.	Unearned Premium and Advance Premium-change						
3.1	Standard Coverage						
3.11	With Reinsurance Coverage	0	XXX	0	XXX	XXX	
3.12	Without Reinsurance Coverage	0	XXX	0	XXX	XXX	
3.2	Supplemental Benefits	0	XXX	0	XXX	XXX	
4.	Risk-Corridor Payment Adjustments-change						
4.1	Receivable	0	XXX	0	XXX	XXX	
4.2	Payable	0	XXX	0	XXX	XXX	
5.	Earned Premiums						
5.1	Standard Coverage						
5.11	With Reinsurance Coverage	0	XXX	0	XXX	XXX	
5.12	Without Reinsurance Coverage	0	XXX	0	XXX	XXX	
5.13	Risk-Corridor Payment Adjustments	0	XXX	0	XXX	XXX	
5.2	Supplemental Benefits	0	XXX	0	XXX	XXX	
6.	Total Premiums	0	XXX	0	XXX		0
7.	Claims Paid						
7.1	Standard Coverage						
7.11	With Reinsurance Coverage	0	XXX	0	XXX		0
7.12	Without Reinsurance Coverage	0	XXX	0	XXX		0
7.2	Supplemental Benefits	0	XXX	0	XXX		0
8.	Claim Reserves and Liabilities-change						
8.1	Standard Coverage						
8.11	With Reinsurance Coverage	0	XXX	0	XXX	XXX	
8.12	Without Reinsurance Coverage	0	XXX	0	XXX	XXX	
8.2	Supplemental Benefits	0	XXX	0	XXX	XXX	
9.	Health Care Receivables-change						
9.1	Standard Coverage						
9.11	With Reinsurance Coverage	0	XXX	0	XXX	XXX	
9.12	Without Reinsurance Coverage	0	XXX	0	XXX	XXX	
9.2	Supplemental Benefits	0	XXX	0	XXX	XXX	
10.	Claims Incurred						
10.1	Standard Coverage						
10.11	With Reinsurance Coverage	0	XXX	0	XXX	XXX	
10.12	Without Reinsurance Coverage	0	XXX	0	XXX	XXX	
10.2	Supplemental Benefits	0	XXX	0	XXX	XXX	
11.	Total Claims	0	XXX	0	XXX		0
12.	Reinsurance Coverage and Low Income Cost Sharing						
12.1	Claims Paid - Net of Reimbursements Applied	XXX	0	XXX	0		0
12.2	Reimbursements Received but Not Applied-change	XXX	0	XXX	0		0
12.3	Reimbursements Receivable-change	XXX	0	XXX	0	XXX	
12.4	Health Care Receivables-change	XXX	0	XXX	0	XXX	
13.	Aggregate Policy Reserves-change	0	0	0	0	XXX	
14.	Expenses Paid	0	XXX	0	XXX		0
15.	Expenses Incurred	0	XXX	0	XXX	XXX	
16.	Underwriting Gain/Loss	0	XXX	0	XXX	XXX	
17.	Cash Flow Results	XXX	XXX	XXX	XXX		0

ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK

Analysis of Operations By Lines of Business 7

Assets 2

Cash Flow 6

Exhibit 1 - Enrollment By Product Type for Health Business Only 17

Exhibit 2 - Accident and Health Premiums Due and Unpaid 18

Exhibit 3 - Health Care Receivables 19

Exhibit 3A - Analysis of Health Care Receivables Collected and Accrued 20

Exhibit 4 - Claims Unpaid and Incentive Pool, Withhold and Bonus 21

Exhibit 5 - Amounts Due From Parent, Subsidiaries and Affiliates 22

Exhibit 6 - Amounts Due To Parent, Subsidiaries and Affiliates 23

Exhibit 7 - Part 1 - Summary of Transactions With Providers 24

Exhibit 7 - Part 2 - Summary of Transactions With Intermediaries 24

Exhibit 8 - Furniture, Equipment and Supplies Owned 25

Exhibit of Capital Gains (Losses) 15

Exhibit of Net Investment Income 15

Exhibit of Nonadmitted Assets 16

Exhibit of Premiums, Enrollment and Utilization (State Page) 30

Five-Year Historical Data 29

General Interrogatories 27

Jurat Page 1

Liabilities, Capital and Surplus 3

Notes To Financial Statements 26

Overflow Page For Write-ins 44

Schedule A - Part 1 E01

Schedule A - Part 2 E02

Schedule A - Part 3 E03

Schedule A - Verification Between Years SI02

Schedule B - Part 1 E04

Schedule B - Part 2 E05

Schedule B - Part 3 E06

Schedule B - Verification Between Years SI02

Schedule BA - Part 1 E07

Schedule BA - Part 2 E08

Schedule BA - Part 3 E09

Schedule BA - Verification Between Years SI03

Schedule D - Part 1 E10

Schedule D - Part 1A - Section 1 SI05

Schedule D - Part 1A - Section 2 SI08

Schedule D - Part 2 - Section 1 E11

Schedule D - Part 2 - Section 2 E12

Schedule D - Part 3 E13

Schedule D - Part 4 E14

Schedule D - Part 5 E15

Schedule D - Part 6 - Section 1 E16

Schedule D - Part 6 - Section 2 E16

Schedule D - Summary By Country SI04

Schedule D - Verification Between Years SI03

Schedule DA - Part 1 E17

Schedule DA - Verification Between Years SI10

Schedule DB - Part A - Section 1 E18

Schedule DB - Part A - Section 2 E19

Schedule DB - Part A - Verification Between Years SI11

Schedule DB - Part B - Section 1 E20

Schedule DB - Part B - Section 2 E21

Schedule DB - Part B - Verification Between Years SI11

Schedule DB - Part C - Section 1 SI12

Schedule DB - Part C - Section 2 SI13

Schedule DB - Part D - Section 1 E22

Schedule DB - Part D - Section 2 E23

Schedule DB - Verification SI14

Schedule DL - Part 1 E24

Schedule DL - Part 2 E25

Schedule E - Part 1 - Cash E26

Schedule E - Part 2 - Cash Equivalents E27

Schedule E - Part 3 - Special Deposits E28

Schedule E - Verification Between Years SI15

ANNUAL STATEMENT BLANK (Continued)

Schedule S - Part 1 - Section 2	31
Schedule S - Part 2	32
Schedule S - Part 3 - Section 2	33
Schedule S - Part 4	34
Schedule S - Part 5	35
Schedule S - Part 6.....	36
Schedule S - Part 7.....	37
Schedule T - Part 2 - Interstate Compact	39
Schedule T - Premiums and Other Considerations	38
Schedule Y - Information Concerning Activities of Insurer Members of a Holding Company Group	40
Schedule Y - Part 1A - Detail of Insurance Holding Company System	41
Schedule Y - Part 2 - Summary of Insurer's Transactions With Any Affiliates	42
Statement of Revenue and Expenses	4
Summary Investment Schedule	SI01
Supplemental Exhibits and Schedules Interrogatories	43
Underwriting and Investment Exhibit - Part 1	8
Underwriting and Investment Exhibit - Part 2	9
Underwriting and Investment Exhibit - Part 2A	10
Underwriting and Investment Exhibit - Part 2B	11
Underwriting and Investment Exhibit - Part 2C	12
Underwriting and Investment Exhibit - Part 2D	13
Underwriting and Investment Exhibit - Part 3	14